

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also have no speakers, but I wanted to express my thanks to the gentleman from Michigan for his generous comments, and at the risk of sounding immodest, I agree. I think our subcommittee has accomplished a lot of good this year with the help of both sides of the aisle, including my friend from Michigan, and I thank him for his comments. And I would be remiss if I did not also mention Senator PATRICK LEAHY who has already been mentioned and the gentleman from Oregon (Mr. SMITH) who chairs the House Agriculture Committee and has been very actively involved in this process as well.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. COBLE) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1197.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FATTAH. Mr. Speaker, I seek to correct the RECORD. On Rollcall Vote 428, which was on House Concurrent Resolution 254, I was recorded being in favor of the measure, and I would like the RECORD to reflect that I should have been recorded as being opposed to the measure.

MONEY LAUNDERING AND FINANCIAL CRIMES STRATEGY ACT OF 1998

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 1756) to amend chapter 53 of title 31, United States Code, to require the development and implementation by the Secretary of the Treasury of a national money laundering and related financial crime strategy to combat money laundering and related financial crimes, and for other purposes.

The Clerk read as follows:

Senate amendment:

Page 2, strike out all after line 20, over to and including line 3 on age 3 and insert:

"(2) MONEY LAUNDERING AND RELATED FINANCIAL CRIME.—The term 'money laundering and related financial crime'—

"(A) means the movement of illicit cash or cash equivalent proceeds into, out of, or through the United States, or into, out of, or through United States financial institutions, as defined in section 5312 of title 31, United States Code; or

"(B) has the meaning given that term (or the term used for an equivalent offense) under State and local criminal statutes pertaining to the movement of illicit cash or cash equivalent proceeds.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Alabama (Mr. BACHUS) and the gentleman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BACHUS).

GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1756.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

□ 1330

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1756 is the Money Laundering and Financial Crimes Strategy Act of 1998. It was introduced by the gentlewoman from New York (Ms. VELÁZQUEZ), the gentleman from Iowa (Mr. LEACH) and myself, and it directs the Secretary of the Treasury to create a national strategy for combating money laundering and other financial crimes by coordinating money laundering and other financial crimes. It also supplies resources to Federal, state and local agencies in the coordination of their efforts.

I would explain to Members what is so important about money laundering. Money laundering is the flip side of narcotics trafficking. When we talk about the war on drugs, when we talk about our efforts against drugs, some people do not realize that it is a two-way street. On the TV we observe pictures of large amounts of drugs being seized, of drugs being destroyed, of them being intercepted, and, in fact, we have been very successful in seizing a great percentage of the drugs coming into this Nation.

Where we have failed, where we have not addressed the problem that needs to be addressed, is in money laundering. When drugs are sold, for them to be profitable to the money launderers and the drug cartels overseas, they not only have to sell their product, they have to reap their profit. That means that the money must flow back out of the country. They must get the money back out.

In fact, law enforcement agencies and policy makers tell us that if you want to hit the drug cartels where it hurts the worst, you do not seize the drugs, because there is an endless supply of that; you seize the money. And that is what this new strategy is about. Unfortunately, we estimate we are seizing less than 1 percent of drug proceeds money, and, therefore, this legislation I think is going to be a hallmark and really a nail in hopefully the coffin of drug cartels overseas which are preying on our young men and women on the streets of America.

The legislation provides for the designation of high risk money laundering areas for the purpose of providing those localities with increased Federal atten-

tion and funding for state and local law enforcement efforts.

We had a pilot project in New York City in the district of the gentlewoman from New York (Ms. VELÁZQUEZ), who, I am sure, will cover this in more detail. But to tell you about the gravity of this situation, this effort was headed up by the New York police, the city police, New York State police, Customs. In a short period of time, over \$1 billion of money transfers to Colombia were intercepted during this effort. I am not talking about \$1 million, I am not talking about tens of millions of dollars. Over \$1 billion in transfers were intercepted. So that gives you some idea about the magnitude of this problem.

Now, the House passed this measure earlier this month by voice vote. On Wednesday, the Senate passed it with an amendment, again by unanimous consent. The Senate amendment is relatively modest in scope. I think it improves the bill, and I have been asked by Members of the Committee on the Judiciary and the Committee on Commerce to explain that amendment for the record.

As passed by the House, this act provided that the Secretary of the Treasury's authority to develop a national strategy for combating money laundering and related crimes extended to all potential violations of title 18, sections 1956 and 1957. Those sections are the basic criminal money laundering provisions of our Federal law, and they contain more than 100 predicate offenses involving crimes as varied or desperate as obscenity and arms control export violations.

The Federal Bureau of Investigation raised concerns that the sheer breadth of the criminal conduct covered by these two sections, 1956 and 1957, might complicate the Treasury Department's ability to develop a coherent national strategy for combating money laundering and in allocating scarce law enforcement resources to initiatives undertaken at the state and local level.

In response to that, we in the House, the gentlewoman from New York (Ms. VELÁZQUEZ), requested and the Senate conceded and actually offered an amendment, and also the Senate was very supportive of this amendment and amended the bill to provide that the national strategy should be directed at the movement of illicit cash or cash equivalent proceeds into, out of and through the United States, or into, out of and through United States financial institutions, because many of these are electronic transfers, rather than directing the scope to the more broad offenses delineated in title 18 and other portions of the U.S. Code. We all agree this is a good amendment that strengthens the bill.

I also want to, at the request of the Committee on Commerce, take this opportunity to clarify the legislative intent behind another provision of H.R. 1756, and that is section 2.

Section 2 amends chapter 53 of title 31 of the U.S. Code to direct the Secretary of the Treasury to regularly review enforcement efforts under the chapter and under the subchapter and other provisions of the law, and, when appropriate, modify existing regulations or prescribe new regulations for the purposes of preventing money laundering and related financial crimes.

On June 25, 1998, the distinguished chairman of the Committee on Commerce, the gentleman from Virginia (Mr. BLILEY) wrote to the gentleman from Iowa (Mr. LEACH), the gentlewoman from New York (Ms. VELÁZQUEZ) and myself, to express concern that such a broad mandate could be interpreted to authorize the Secretary of the Treasury to review enforcement actions under the Federal securities laws or to modify regulations promulgated pursuant to Federal securities laws or to grant the Secretary of Treasury new or additional authority to prescribe regulations applicable to entities that are regulated pursuant to the Federal securities law.

In response, the gentleman from Iowa (Mr. LEACH) affirmed that it is not the Committee on Banking and Financial Services's intent for the language in section 2 to grant the Secretary of Treasury any new or additional authority over entities that are regulated pursuant to the Federal securities law or to require or encourage the Secretary of the Treasury to review enforcement actions under the Federal securities law, or to modify or recommend the modification of regulations promulgated under the Federal securities laws. That response has been accepted.

Mr. Speaker, in closing I want to emphasize that H.R. 1756 is an excellent example of the spirit of bipartisanship and comity that has historically characterized the Committee on Banking and Financial Services's deliberation on anti-money laundering initiatives.

We do hear a lot of partisanship and wrangling in this body. That is not always the case. In bringing this bill before both the House and the Senate, Democrats and Republicans have joined together, they worked closely with the administration, and the result has been a nonpartisan or bipartisan effort, which we believe will go a long way in combating illegal drugs and money laundering.

The gentlewoman from New York (Ms. VELÁZQUEZ) should be particularly commended for her work, and by this I mean her hard work on this matter. She has been a big help in dealing with the law enforcement agencies.

In addition, I would like to commend and give special recognition to the gentleman from Iowa (Chairman LEACH) and to the ranking minority member, the gentleman from New York (Mr. LAFALCE) for their efforts in moving this important bill through the Committee on Banking and Financial Services.

Also I want to commend members of the Subcommittee on General Over-

sight and Investigations staff for their hard work on money laundering in this Congress.

An example of the administration and the Congress working together on this bill is that Dave Cohen from my staff, who basically worked with Ms. VELÁZQUEZ on a daily basis in the particulars of this bill, as a result of working with Customs, he is no longer with the subcommittee. He was in fact hired by Customs, which sort of pays us a compliment to his ability. Dave, within the last month, has taken the position as assistant to the Commissioner, Ray Kelly, at Customs. So I think that ought to be a compliment to the entire Congress and to the staff that worked on this bill.

In addition, I would like to compliment the legal staff that worked on this bill. Jim Clinger, the Clinger name is a name that most of us in Congress recognize. His father, Bill Clinger, served in this body with distinction. Jim Clinger and Win Yerby, legal counsel for the majority, worked closely on this bill. I am particularly pleased that Win Yerby is a native Alabamian.

On the democratic side, Rick Maurano, who is seated at the table with Ms. VELÁZQUEZ, also did yeoman's work on this bill. Again, this was a totally nonpartisan effort.

As Chairman of the Subcommittee on Oversight and Investigations, I will say in closing that I have had six money laundering hearings. In fact, money laundering has been the central focus of the subcommittee's work, because I see it as one of the most important responsibilities of the Committee on Banking and Financial Services Subcommittee on General Oversight and Investigations. The reason I do is because the threat that narcotic drugs has in every community, in every state, in every locality, to us, to the integrity of our law enforcement agencies, and to the safety and welfare of our citizens.

As I said, again, thanks to the gentlewoman from New York, this bill will go a long way in hitting the drug cartels where it hurts the worst, in the pocketbook.

Mr. Speaker, H.R. 1756, the Money Laundering and Financial Crimes Strategy Act of 1998, introduced by the gentlelady from New York, Ms. VELÁZQUEZ. Chairman LEACH, Representative GONZALEZ, and myself, directs the Secretary of the Treasury to create a national strategy for combating money laundering and other financial crimes by coordinating Federal, State, and local efforts and resources. The legislation provides for the designation of high risk money laundering areas for the purpose of providing these localities with increased Federal attention and funding for State and local law enforcement efforts.

The House passed this measure earlier this month by voice vote, and on Wednesday, the other body passed it with an amendment by unanimous consent. The Senate amendment is relatively modest in scope.

As passed by the House, H.R. 1756 provided that the Secretary of the Treasury's authority to develop a national strategy for com-

bating "money laundering and related crimes" extended to all potential violations of 18 U.S.C. sections 1956 and 1957, the basic criminal money laundering provisions, which themselves contain more than 100 predicate offenses involving crimes as disparate as obscenity and arms control export violations. After the Federal Bureau of Investigation raised concerns that the sheer breadth of criminal conduct covered by sections 1956 and 1957 might complicate the Treasury Department's ability to develop a coherent national strategy for combating money laundering and to allocate scarce law enforcement resources to initiatives undertaken at the State and local levels, the Senate amended the bill to provide that the national strategy should be directed at the "movement of illicit cash or cash equivalent proceeds into, out of or through the United States, or into, out of or through United States financial institutions," rather than at the specific underlying offenses delineated in title 18 and other portions of the United States Code.

Mr. Speaker, I also want to take this opportunity to clarify the legislative intent behind another provision of H.R. 1756. Section 2 of the legislation amends chapter 53 of title 31 of the United States Code to direct the Secretary of the Treasury to "regularly review enforcement efforts under this subchapter and other provisions of laws and, when appropriate, modify existing regulations or prescribe new regulations for purposes of preventing" money laundering and related financial crimes. On June 25, 1998, the distinguished chairman of the Committee on Commerce, Mr. BLILEY, wrote to Chairman LEACH to express the concern that "such a broad mandate could be interpreted to authorize the Secretary of the Treasury to review enforcement actions under the Federal securities laws or to modify regulations promulgated pursuant to the Federal securities laws, or to grant the Secretary of the Treasury new or additional authority to prescribe regulations applicable to entities that are regulated pursuant to the Federal securities laws."

In response, Chairman LEACH affirmed that it is not the Banking Committee's intent for the language in section 2 to grant the Secretary of the Treasury any new or additional authority over entities that are regulated pursuant to the Federal securities laws, or to require or encourage the Secretary of the Treasury to review enforcement actions under the Federal securities laws or to modify, or recommend the modification of, regulations promulgated under the Federal securities laws.

In closing, Mr. Speaker, let me emphasize that H.R. 1756 is an excellent example of the spirit of bipartisanship and comity that has historically characterized the Banking Committee's deliberations on antimoney laundering initiatives. The gentlewoman from New York Ms. VELÁZQUEZ, should be particularly commended for her hard work on this matter. Special recognition should also be accorded to Chairman LEACH and to the ranking minority member, Mr. LAFALCE for their efforts in moving this important bill through the Banking Committee. I also want to commend members of the Banking Oversight Subcommittee for their hard work on money laundering in this Congress. As chairman of the Oversight Subcommittee, I have made money laundering a central focus of the subcommittee's work because I see it as one of the most important responsibilities of the Banking and Financial Services Committee.

Mr. Speaker, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to begin by again thanking the gentleman from Iowa (Mr. LEACH), the gentleman from New York (Mr. LAFALCE), and the gentleman from Alabama (Mr. BACHUS) for all their work on this legislation. Also I would like to recognize the work that for the last four years my legislative director, Catherine Cruz Wojtasik, has been doing on this legislation.

This bill proves that crime fighting is a bipartisan issue. Today's Money Laundering and Financial Crimes Strategy Act is the same anti-money laundering legislation that passed the House last week. Technical changes were made by the Senate that will broaden the definition of money laundering. These changes are endorsed by the Treasury Department, the Justice Department, the FBI and the local district attorneys in New York City.

In the expanded definition we allow Federal, state and local law enforcement officials to keep up with the changing trends in money laundering. It will provide police officers and prosecutors with the tools that they need to effectively combat large and sophisticated crime syndicates.

The Money Laundering and Financial Crimes Strategy Act is an important step in helping communities fight drug traffickers that launder money in their neighborhood. I urge all Members to support this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say in conclusion that Catherine Cruz Wojtasik did work very hard on this bill. I think it shows that the gentleman from New York (Ms. VELÁZQUEZ) has assembled a good staff, and I would like to commend Ms. Cruz Wojtasik on her work on the bill.

□ 1345

Mr. Speaker, I apologize for that oversight.

Mr. BACHUS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BRADY of Texas). The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and concur in the Senate amendment to H.R. 1756.

The question was taken; and (two-thirds having voted in favor thereof) the rules suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

BUDGET AGREEMENT IMPLEMENTS COMMONSENSE CONSERVATIVE VALUES

(Mr. TALENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALENT. Mr. Speaker, I am pleased to rise in support of the recently concluded budget agreement. In fact, the more I look at that budget agreement, the more I like it.

It begins to implement the Dollars to the Classroom principle, whereby we defund Federal bureaucracies and empower parents and teachers. It provides that with the Census, we are going to count people. We are not going to guess how many people are in the United States. It says we are going to stop child porn on the Internet.

We are going to reinvigorate the war on drugs. We are going to spend \$9.5 billion on the national defense, money that is vital to America's greatness. We are going to have the first ever IMF reforms, and all this on top of a balanced budget with a surplus, tax relief, and welfare reform.

It is an implementation of common-sense conservative values, Mr. Speaker. It looks like we are going to have support from the other side of the aisle. I hope we come back here as soon as possible and pass it.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. RIGGS) is recognized for 5 minutes.

Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONGRATULATING JOHN HUME, A WINNER OF THE NOBEL PEACE PRIZE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. OBEY) is recognized for 5 minutes.

Mr. OBEY. Mr. Speaker, I simply want to take this time to note that the Nobel Prize for peace today was given to two Irish heroes named David Trimble and John Hume. I do not know Mr. Trimble, who is the leader of the Protestant groups in Northern Ireland seeking peace, but I do know John Hume. I have known him for a good many years, and I think that his selection today was an absolutely perfect choice.

John Hume is a person who, as a very young man, began to peacefully protest the fact that there was a systematic policy to deny employment to Catholic males in Northern Ireland. He began to lead peaceful marches out of the Catholic neighborhoods to try to peace-

fully protest that fact, in the spirit of Martin Luther King.

The Protestant forces reacted violently. He was beaten a number of times. At one point he laid down in front of a tank with his wife standing just a few feet away. She thought he was a dead man. Fortunately, the tank stopped.

He also experienced violence at the hands of Catholic forces in Northern Ireland, because he was insisting that whatever actions taken by Catholic forces be peaceful, so his reward was that they tried to assassinate him many times. His home was firebombed at least once, I believe twice, once with his family in it.

He even had the experience of being at a country roadside, at a stop sign, when a car plowed into him from behind at a high rate of speed. The car exploded. He walked out of the car without a scratch, and a week later collapsed from post-trauma stress reaction, with his heart in fibrillation, and almost died.

Today he has been one of, if not the leading voice in all of Ireland for peace, and he has been instrumental in bringing the IRA together in peace talks with their Protestant counterparts. I think it is safe to say that there would be no peace process in Ireland, were it not for John Hume.

I simply want to take this time to note on this side of the Atlantic that a true hero of our age has been nominated or has been named the recipient of the Nobel Prize for peace today, along with Mr. Trimble, who also has been heroic in trying to lead the Protestant forces in Northern Ireland to a peaceful resolution of their differences.

In all of the years of public life, I have never met a person as inspiring as John Hume. I have never met a person who has been willing to undergo more physical violence to his own person than John Hume, except perhaps for our colleague in this Chamber, the gentleman from Georgia (Mr. JOHN LEWIS).

It just seems to me that we should today take note of the fact that the Nobel committee made a superb choice. I congratulate John Hume, I congratulate his wife, Pat, who has been with him every inch of the way in helping him through a lifetime of work for peace.

If I were asked to name a single person in the Western World who epitomizes what Christian values are supposed to be, I would say that John Hume is that person. I was thrilled to see that he was one of the two winners of that Nobel Prize today.

ROCKY MOUNTAIN NATIONAL PARK WILDERNESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SKAGGS) is recognized for five minutes.